



Dueling Paid Leave Plans Introduced In Congress

Insights

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There seems to be growing momentum in Washington, D.C. to establish a national paid leave program, but – as with most things in the nation’s capital – there seem to be differing views on how to accomplish this stated goal of both political parties. Although the White House unveiled a budget proposal on March 11 calling for the establishment of a paid parental leave program, that \$750 million funding wish aims for the creation of paid leave programs at the state level that are “most appropriate for their workforce and economy.” Meanwhile, leaders from both parties have recently unveiled their own plans to create sweeping federal paid leave programs – one of which goes beyond parental leave.

Democratic Paid Leave Plans

The latest Democratic paid sick leave plan – The Healthy Families Act – would allow many employees to earn up to a week of paid leave for a variety of reasons. Workers could use sick days to recover from their own illnesses, access preventive care, attend meetings related to the health or disability of a child, or care for a sick family member. Further, employees recovering from or seeking assistance related to an incident of domestic violence, stalking, or sexual assault would be able to use their paid leave allotment.

Workers at businesses with 15 or more employees would receive up to seven job-protected paid sick days each year, while those employed at smaller businesses would receive seven job-protected unpaid sick days each year. Workers would accrue one hour of paid sick time for every 30 hours of work beginning at the time they are hired, and could start using their earned sick time after 60 days of employment. They would also be able to carry over unused time to the following year, so long as they don't exceed the seven-day (56-hour) limit.

The proposal, unveiled on March 14, is being spearheaded by Senator Patty Murray (D-Wash.) and Representative Rosa DeLauro (D-Conn.). At the time of introduction, the measure had 122 cosponsors in the House and 32 cosponsors in the Senate.

Meanwhile, Representative DeLauro is also pushing for a paid parental leave program. She and Senator Kirsten Gillibrand (D-N.Y.) unveiled the Family and Medical Insurance Leave Act (FAMILY Act) in February, the second time in several years a version of this proposed law has been introduced in Congress.

The FAMILY Act would create a national insurance fund to provide 12 weeks of paid family and medical leave to workers for pregnancies, the birth or adoption of a child, to recover from a serious illness, or to care for a seriously ill family member. It would be funded by both employers and employees, and Representative DeLauro has stated that the average worker would pay just \$1.50 per week to fund the payments. If passed, the benefits would be completely portable and not tied to any single employer.

Republican Paid Parental Leave Plan

Meanwhile, on the other side of the aisle, a pair of Republican senators unveiled the latest Republican paid parental leave plan on March 12. Senator Joni Ernst (R-Iowa) and Senator Mike Lee (R-Utah) are championing the Child Rearing and Development Leave Empowerment (CRADLE) Act, which would enable new parents to receive up to three months of paid parental leave. The catch: employees would agree to postpone access to Social Security Benefits for a certain period of time in order to fund the benefit.

To qualify for the program, workers would need to have worked either four out of the previous four quarters, five out of the previous six quarters, or at least 20 total quarters before they request access to the benefits. The level of benefits they would receive would be determined by Social Security's primary insurance amount; this way, monthly benefits would be more generous for those beneficiaries with lower income levels.

Under the plan – touted as “budget-neutral” – new parents could opt to receive one, two, or three months of paid parental leave in exchange for postponing Social Security benefits by two, four, or six months. In this way, it is similar to a proposal floated by Senator Marco Rubio (R-Florida) last year, which was initially met by resistance from those on both sides of the debate. However, Senator Lee said that the CRADLE Act is meant to be a starting point for bipartisan discussions on the subject, indicating that there is plenty of room for negotiations before anything is finalized.

Stay Tuned

Although it is difficult to predict whether any of these proposals will gain traction in Congress or with the president, it appears there is more momentum for a paid leave program of some sort than at any other time in recent history. We will continue to assess the situation and provide necessary updates, so you should ensure you are subscribed to Fisher Phillips' alert system to gather the most up-to-date information. If you have questions, please contact your Fisher Phillips attorney.

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